

# Women-Owned Businesses

## The Facts

- As of 2006, there are an estimated 7.7 million majority (51% or more) women-owned, privately-held firms in the U.S., accounting for 29.7% of all businesses in the U.S. These businesses employ 7.1 million people and generate \$1.1 trillion in sales.
- Between 1997 and 2006, the Center for Women's Business Research estimates that the number of women majority-owned firms increased by 42% nationwide (nearly twice the rate of all firms), employment increased by 0.4%, and sales grew by 4.4%.
- Women-owned firms continue to diversify into all industries. The greatest percentage growth among majority women-owned firms has been in wholesale trade (283.4%), healthcare and social assistance (130%), arts, entertainment & recreation (116.8%), professional, scientific & technical (82.7%). The largest share of women majority-owned firms continues to be in the services and retail trade sectors. More than two-thirds (69%) of these firms (5.3 million) are in services; 14.4% (1.1 million) are in retail trade.
- As of 2004, there are an estimated 1.4 million privately-held firms owned by a women of color—accounting for over 1 in 5 women-owned firms (21.4%) in the U.S. Between 1997 and 2004, the number of minority women-owned firms increased by 54.6%; employment by 61.8%; and sales by 73.6%.
- Nearly three-quarters (72%) of women business owners have investments in stock, bonds or mutual funds, compared to 58% of working women.
- Eighty-six percent of women entrepreneurs say they use the same products and services at home that they do in their business, for familiarity and convenience, and 68% do so consciously.
- Women-owned businesses are just as financially strong and creditworthy as the average U.S. firm, with similar performance on bill payment and similar levels of credit risk.
- Despite the fact that 60% of Fortune 1000 corporations spend more than \$1 billion with outside suppliers annually, women-owned businesses account for only 4% of this market share (as of 2003).
- Women-owned businesses with more than \$1 million or more in revenue are more likely than their smaller counterparts to have large corporations (34% vs. 12%) and government (31% vs. 8%) as their primary clients.
- Women business owners' satisfaction with banking relationships has more than doubled since 1992 (35% vs. 82%).
- More than two-thirds (67%) of women business owners choose financial products and services based on their relationship and experience with a lender.
- Two-thirds of women business owners with \$1 million or more in revenue rely on external accountants or financial specialists for financial advice.
- Annual expenditures by women-owned enterprises for just four areas—information technology, telecommunications, human resources services, and shipping—were estimated to be \$103 billion in 2004.
- Fifteen percent of women-owned businesses with \$1 million or more in revenue say their primary market is international.
- Women owners of firms with \$1 million or more in revenue are more likely to belong to formal business organizations, associations or networks than other women business owners (81% vs. 61%).

*Source: Center for Women's Business Research*

## Missouri Women's Council

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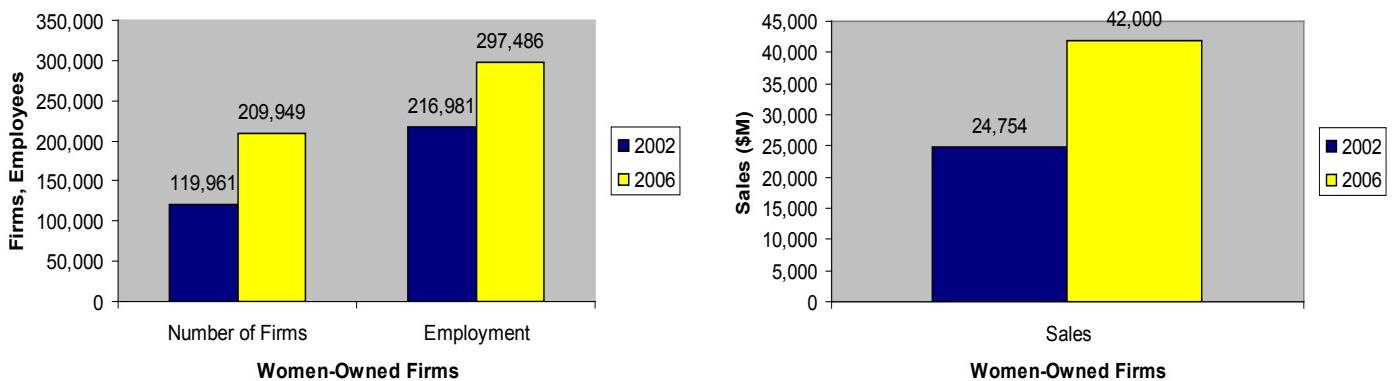
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- As of 2006, there are an estimated 209,949 privately-held, 50% or more women-owned firms in Missouri, generating nearly \$42 billion in sales and employing over 297,000 people.
- These firms account for 42.9% of all privately-held firms in Missouri and include an estimated 141,986 privately-held, majority (51% or more) women-owned firms in the state, accounting for 29% of all privately-held firms in the state.
- Between 1997 and 2006, the Center for Women's Business Research estimates that the number of majority (51% or more) women-owned firms in Missouri increased by 46.7%, employment grew by 4.9%, and sales increased by 21.4%.
- The Center estimates that in 2006 there are 21,505 privately-held, majority (51% or more) women-owned employer firms (only those firms that have paid employees, excluding foreign-owned and non-profit) in Missouri. The number of these firms grew by 31.5% from 1997 to 2006.

### **In Missouri, Women-Owned Firms Approach 210,000, Employment near 300,000 and Sales Nearly \$42 Billion**



- Among the 50 states and Washington, DC, Missouri ranks 18th in the number of privately-held, majority (51% or more) women-owned firms in 2006, 14th in employment, and 14th in sales.
- Missouri ranks 26th in the growth in the number of privately-held, majority (51% or more) women-owned firms between 1997 and 2006, 15th in employment growth, and 14th in sales growth among the states and Washington, DC.

### **Employment and Sales in Women-Owned Firms in Missouri are Growing More Rapidly than the National Average**

